

NAHU Capitol Conference - Your Membership at Work!

By Marv Law – DCAHU Legislative Chair

Several years ago, I joined NAHU and our local chapter because I saw the need to have a legislative voice, not only for our industry, but also for my clients. After participating in this year's Capitol Conference on Capitol Hill and witnessing the relationship and coalition building with legislators, government regulators and healthcare strategy organizations, I now see that my membership goes far beyond the legislative voice. Our membership also works to form important strategic partnerships to attain common goals and change the way healthcare is delivered in our nation.

Many veteran attendees expressed that this conference was the best they have attended. And I walked away believing that every member of NAHU should make at least one trip to Capitol Conference. I was impressed with the direction of our Association as part of the solution to deliver higher value healthcare in our nation and state. As an organization, we are in a unique position to influence the parties involved to reduce the cost of healthcare and change how it is delivered. **If we don't do it, who will?** There is a role for us not only as insurance agents, but also as agents of change! We must be proactive and not reactive.

As an industry and association, we should not only seek to protect our interests, but also be a catalyst that contributes to solving the challenges we face in delivering healthcare to our clients. As we have witnessed in recent years, without providing real solutions, many in the government will be inclined to take over healthcare. But as we present private market-based solutions that include innovative practices and strategies to reduce the cost of healthcare, government will be less compelled to take over healthcare.

Last week, many of the nearly 800 participants met with nearly all the legislators in the House and Senate to promote practices and policies to reduce the cost of healthcare and protect our clients, and we are already seeing a positive outcome. It is encouraging to read this week that some of the issues discussed, such as Surprise Medical Bills, are already finding bipartisan support and some Senators are working on bills to introduce.

Finally, during this conference it became clear to me that beyond lobbying our legislators, it is important to also build relationships with them. Through trust and mutual respect, setting politics aside, it's possible that they become comfortable turning to us as a resource for their questions, solutions and assistance. And in addition to our legislators, I see the importance of our association to also be a catalyst with the carriers to encourage them to make changes that will result in them delivering higher value healthcare. My only disappointment in the Conference is what appeared to be a lack of insurance carrier represented, as they are an important part of reducing healthcare cost.

For your review, I've listed below some of the issues discussed at the Conference and with legislators, of which many appear to be gaining some bipartisan support.

A few of the proposed practices for reducing the cost of healthcare were:

- Transparency of pricing by providers, so everyone knows the cost of treatment and their out-of-pocket expenses before services are provided. This will create competition and choice for patients and therefore assist in bringing cost down.
- Benefit design by carriers that provides incentives to consumers, transparency of pricing and centers of excellence.
- Provider network design based on value that will guide consumers, leverage for carriers and volume to providers.
- Payment reform that provides incentives for providers for greater value (cost and quality) and reduce unnecessary treatment.
- These are only a few of the strategies presented, in addition to others such as reducing the cost of drugs.

Market Stabilizers to Reduce Cost and Improve Individual and Employer Market Risk Pools

Individual Market

- Allow tax credits to be used outside of the Marketplace if fewer than two choices are offered in a state.
- Reduce the 90-day grace period for nonpayment of premium for individuals receiving premium tax credits to the same 30-day grace period for other covered individuals.
- Allow states to be eligible for funding for new hybrid high-risk pools/reinsurance. The new pools would not issue coverage but would be available as a reinsurance mechanism to insure risk above certain levels for high-risk individuals who enroll after going longer than 60 days without coverage.

Individual and Employer-Based Market

- Repeal the Health Insurance Tax and Excise/Cadillac Tax (**H.R. 748**).
- Increase flexibility for HSAs. For example, once other market stabilizers are in place, allow contributions equal to the out-of-pocket maximum and a limited number of office visits to be covered before the deductible each year. Other important changes could also be included but should be considered after other market-stabilization mechanisms are in place.

Employer-Based Market

- Preserve the employer tax exclusion. The employer-sponsored health insurance system provides private-sector, market-based coverage for more than 175 million Americans, including those covered by unions. Eliminating the exclusion would be detrimental to the stability of the employer-based market and would negatively affect middle-class Americans.
- Allow states to be eligible for funding for small group reinsurance, which would operate similarly to the individual risk pools, allowing for premium stabilization in the small group market.

Surprise Billing/Balance Billing

- Prohibit health care providers from balance billing patients in cases of emergency, involuntary care, or instances where the patient had no choice in choosing their provider.
- Require notice to be furnished to patients informing them of their providers' network status and possible options for seeking care from a different provider.
- Prohibit arbitrary and excessive bills in these situations by setting reimbursement criteria based on market rates determined by reasonable, contracted amounts paid by private health plans to similar providers in a geographic area or percentage of Medicare.

Concerns Regarding Medicare for All

- Medicare for all would not allow consumers to maintain their current coverage.
- Medicare for all would be prohibitively expensive. Estimates are around \$32 trillion, an average annual tax increase of \$24,000 per household.
- Medicare for all would reduce the standards of quality and access Americans currently enjoy in their health care.

Medicare

- Allow COBRA coverage to count as creditable coverage for Medicare beneficiaries just as employer-sponsored coverage does. This will allow beneficiaries to have access to Part B on a timely basis without penalties for late entry into the program.
- Modify Medicare Advantage marketing rules to suspend the scope of appointment requirements for agents and brokers, allowing better counseling for beneficiaries. Request other changes to the current rules to facilitate communication between CMS and NAHU on issues pertaining to or affecting agent/brokers.
- Many Medicare beneficiaries are classified as being on "observation," which can result in significantly higher claims and prevent Medicare coverage from being applied for nursing home care for patients who do not have a three-day inpatient hospital stay. Our proposal would allow observation stays to be counted toward the three-day mandatory inpatient stay for Medicare coverage of a skilled nursing facility.